This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 02 PARIS 008173

SIPDIS

E.O. 12958: DECL: 12/31/2014 TAGS: <u>PREL FR GM PINR EUN</u>

SUBJECT: MFA CABINET ADVISOR ON FRANCO-GERMAN RELATIONS AND

EU BUDGET

REF: PARIS 7787

Classified By: PolMC Josiah Rosenblatt for reasons 1.4 (B & D).

- 11. Summary: FM Douste-Blazy's advisor for Franco-German relations Heldt and German Ambassador Neubert, speaking about German Chancellor Merkel's November 23 inaugural visit to France, both predicted continuity in the Franco-German relationship while emphasizing more a marriage of reason than of passion for the famed EU couple. French officials are reportedly relieved to have found Merkel less "liberal" than her reputation, a misperception based largely on the fact that she was not "well known" in France. Douste-Blazy was reportedly the first foreign minister to congratulate FM Steinmeier following his consultations, and all indications are that contacts between the German and French governments are continuing apace as before. Separately, Heldt indicated that the MFA was currently "obsessed" with finding a solution to the EU budget impasse, without holding out much hope that the UK Presidency would succeed in brokering one. He suggested it would be a mistake for PM Blair not to stop in France, following his consultations in new member states, in advance of the December ministerial and summit meetings. End summary.
- 12. (C) Pol Deputy met November 30 with Counselor for Franco-German relations in FM Douste-Blazy's cabinet and German national, Christian Heldt, to explore French reactions to German Chancellor Angela Merkel's November 23 visit to Paris. German Ambassador Klaus Neubert provided a couple of additional insights to Ambassador Stapleton during a December 1 meeting.

Franco-German relations

- 13. (C) Heldt described Merkel's visit to Paris as correct and business-like; there were no fireworks, but nor were there any problems. Given Merkel's cooler, analytical nature, it was clear that her relationship with President Chirac would never be as "affective" as that of former Chancellor Schroeder. While it thus was clearly no longer possible to speak about a Franco-German "axis," the overall relationship would be marked by broad continuity, and the Franco-German relationship would remain a key one within the EU. Neubert also conveyed, almost offhand, a business-as-usual approach in his enumeration of a steady stream of high-level officials, from the German Defense Minister to the new State Secretary for European affairs, who were already making their pilgrimages to Paris. Citing Germany's liberal market philosophy as another example, Neubert stated that while France and Germany had always been and would always be very different in many of their outlooks, this had never prevented them from working closely together.
- 14. (C) Heldt nonetheless blamed the GOF for some missed opportunities, judging that French officials and politicians had committed a grave mistake in ignoring the CDU and Merkel over the past two years. Although he had repeatedly argued with his colleagues at the Quai that it would be normal for French officials to cultivate relationships with promising German opposition party politicians early on and on a routine basis, his advice had largely been ignored and she was not "well known." The one exception was Interior Minister Nicolas Sarkozy, who regularly met with his CDU counterparts in his capacity as president of the center-right governing party. (Note: Merkel did meet with President Chirac, PM de Villepin, and Interior Ministry Sarkozy in July when she visited France in her capacity as opposition leader.) Heldt said the lack of a longer and deeper acquaintance with Merkel, combined with the Schroeder "propaganda machine's" success in depicting her as a radical liberal who would flee France's embrace for the arms of the UK, had led some French officials to expect the worst. It was highly important that Merkel -- reportedly after some discussion of alternatives -- finally chose Paris as her first foreign destination to send a signal of the continuing viability and importance of the Franco-German relationship.
- 15. (C) Asked about Foreign Minister Frank-Walter Steinmeier's relationship with his counterpart Philippe Douste-Blazy, Heldt responded that the two had gotten off to an auspicious beginning. He related how he (Heldt), using his connections in the German MFA, had succeeded in ensuring that Douste-Blazy would be the first foreign minister to call

Steinmeier when the latter assumed his new duties. Heldt proudly announced that, Douste-Blazy had called Steinmeier within eight minutes of the end of the press conference that followed his confirmation as foreign minister.

EU budget the key current concern

- 16. (C) Heldt volunteered at the outset of the meeting, and returned to the point at the end of the meeting, that the main "obsession" at the Quai at the moment was to see a resolution of the EU budget crisis (see reftel for a fuller discussion). He asserted that failure by the UK to find a solution by the December EU summit would put a permanent blot on its six-month EU Presidency, given that the opening of accession negotiations with Turkey was its only accomplishment to date. He contended that uncertainties about PM Blair's authority, with Chancellor Brown waiting in the wings, were not all that different from the weakened domestic standing attributed to Chirac. It should not be taken for granted that Blair would be able to deliver a budget agreement in the end. Neubert reasoned that paralysis in Paris and London, which made both capitals risk-averse to any concessions, made a budget agreement unlikely.
- 17. (C) Pol Deputy asked Heldt if Paris had received word that Blair also intended to travel to Paris following his consultations among new members, assuming that he thought a deal was in the making. Heldt responded that the Quai currently had no information to that effect. He believed, however, that Blair would be making a big mistake if he failed to consult "with the major players" in advance of the EU summit meeting.

Please visit Paris' Classified Website at: http://www.state.sgov.gov/p/eur/paris/index.c fm

Stapleton